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**Quarterly Report**

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# **Korea, Quarterly Energy Report 4th Quarter of 2001**

**Prepared by Alaska State Trade Representative Office in Korea**

## **Report Highlights:**

According to the Korean Ministry of Commerce, Industry and Energy (MOCIE), during the 3rd quarter of 2001, Korea's energy consumption totaled 145.410 million TOE (tonnage of oil equivalent), up 2.5% from the same period of 2000. Oil consumption decreased by 0.5%, while the consumption on bituminous coal and LNG increased by 4.7% and 11.6% respectively.

# Table of Contents

<b>1. Energy Supply and Demand in the 3<sup>rd</sup> Quarter of 2001-----</b>	<b>3</b>
<b>2. Mid-term Energy Outlook, 2001 – 2005 -----</b>	<b>10</b>
<b>* Attachment: Forecast on Main Economic Indicators in Korea-----</b>	<b>13</b>

# 1. Energy Supply and Demand in the 3<sup>rd</sup> Quarter of 2001

## 1) Outline

Primary energy consumption reached 145.410 million TOE in the 3<sup>rd</sup> quarter of 2001, a 2.5% increase year-on-year.

- Industrial consumption, which takes up 56% of final energy consumption, increased at a slower rate.
  - Energy consumption in the industrial sector increased by 1.3%.
  - Energy consumption in the home and commercial sector increased by 2% to 24.28 million TOE.
  - Energy consumption in the transport sector increased by 2.9% to 23.96 million TOE.
- Energy imports: \$26.2 billion (1.9% decrease)
  - Crude oil (64% of energy imports): \$17 billion, 5.6% decrease
  - LNG: \$2.9 billion, 14.3% increase
  - Bituminous: \$1.6 billion, 4.9% increase
  - Net cost of energy imports increased by 0.1% to \$19.9 billion.
  - Petrochemical exports from January to September (\$100 million)  
: (Jan.-Sept.2000) 68.1? (Jan.-Sept.2001) 62.8 (7.8% decrease)

### Energy Supply and Demand in the 3<sup>rd</sup> quarter of 2001

(Growth rate: year-on-year, %)

Classification	Sep. 2000		Sep. 2001		3rd Q 2000		3rd Q 2001	
		Growth Rate		Growth Rate		Growth Rate		Growth Rate
<b>Primary Energy Consumption</b> (thou.toe)	14,836	3.5	15,818	6.6	141,917	7.3	145,410	2.5
<b>Oil</b> (thou.bbl)	57,899	1.1	61,756	6.7	549,858	4.3	547,039	-0.5
<b>* Electricity</b> (GWH)	20,252	5.9	22,212	9.7	178,733	13.0	192,004	7.4
<b>* by sector</b> (thou.toe)	11,459	2.4	12,189	6.4	111,023	6.1	113,205	2.0
- Industrial	6,662	0.4	6,982	4.8	61,950	5.4	62,767	1.3
- Transport	2,387	-1.2	2,909	21.9	23,294	9.7	23,958	2.9
- Home/Commercial	2,207	13.5	2,066	-6.4	23,799	4.8	24,280	2.0
<b>Energy imports</b> (million \$)	3,155	49.8	2,851	-9.6	26,734	80.5	26,222	-1.9
<b>Oil</b>	2,165	54.5	2,024	-6.5	17,997	90.7	16,983	-5.6
<b>• Unit cost of imports</b> (CIF, \$/bbl)	29.3	45.8	25.5	-12.8	27.0	84.3	25.9	-4.1

(Source: the Ministry of Commerce, Industry and Energy, Korea)

## 2) Primary energy consumption : 145.410 million TOE (2.5% increase)

- Final energy consumption by sector
  - Industrial: Increased by 1.3%.
  - Transport: Increased by 2.9%, with diesel increasing by 3.5% and LPG by 14.7%, while gasoline decreased by 1.6%.
  - Home and commercial: Increased by 2%, with electricity increasing by 14.5% and city gas by 6.5%, while oil products decreased by 6.8%.

### Primary energy consumption by quarter

(thou. TOE, %)

Classification	1st Q	2nd Q	3rd Q	4th Q
<b>1999</b>	47,558	41,218	43,464	49,123
<b>2000</b>	51,601 (8.5)	45,101 (9.4)	45,236 (4.1)	50,950 (3.7)
<b>2001</b>	52,432 (1.6)	46,449 (3.0)	46,529 (2.9)	

(Source: the Ministry of Commerce, Industry and Energy, Korea)

## 3) Final energy consumption : 113.205 million TOE (2% increase)

- By sector: Industrial (1.3%), transport (2.9%), home and commercial (2%), public and others (11.1%)
- By type of energy: Electricity (7.4%), city gas (6.5%), petroleum (-0.9%)

## 4) Energy imports : \$26.2 billion (1.9% decrease)

- Crude oil (64.8% of total energy imports): \$17 billion, 5.6% decrease
- Net cost of energy imports reached \$19.9 billion, increasing by 0.1%.

## Energy imports

(million bbl, \$million, %)

Classification	Sep. 2000		Sep. 2001		3rd Q 2000		3rd Q 2001	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
<b>Total Amount of Energy Imports</b>	-	3,155	-	2,851	-	26,734	-	26,222
		(49.8)		(-9.6)		(80.5)		(-1.9)
<b>Crude Oil</b>	74.0	2,165	79.4	2,024	665.9	17,997	655.4	16,983
	(6.0)	(54.5)	(7.2)	(-6.5)	(3.5)	(90.7)	(-1.6)	(-5.6)
<b>*Unit cost of Imports (\$/bbl, CIF)</b>	-	29.2	-	25.5	-	27.0	-	25.9
		(45.8)		(-12.8)		(84.3)		(-4.1)
<b>Petrochemical exports</b>	25.0	888	19.5	543	227.5	6,813	226.5	6,281
	(9.5)	(67.5)	(-21.9)	(-38.8)	(4.3)	(85.5)	(-0.4)	(-7.8)
<b>Net cost of energy Imports</b>		2,268		2,308		19,922		19,941
		(43.9)		(1.8)		(78.9)		(0.1)
<b>Total Amount of Imports</b>		13,292		11,697		119,041		106,691
		(31.3)		(-12.0)		(41.6)		(-10.4)
<b>Share of oil imports in energy imports (%)</b>	84.5		85.3		83.8		81.9	
<b>Share of energy imports in Total imports (%)</b>	23.7		24.4		22.5		24.6	

(Source: the Ministry of Commerce, Industry and Energy, Korea)

## 5) Consumption by primary energy source

- **Petroleum : 0.5% decrease year-on-year (547 million bbl)**
  - Consumption in power generating increased by 11.6% and transport by 3.2%, while home and commercial decreased by 6.8% and industrial by 2.1%.

### Consumption growth rate by type of energy

(%)

Classification	1st Q 2000	2nd Q 2000	3rd Q 2000	4th Q 2000	1st Q 2001	2nd Q 2001	3rd Q 2001
<b>Oil</b>	3.9	6.0	4.2	3.1	-1.3	-0.4	0.0
<b>LNG</b>	21.3	18.1	-7.4	12.1	16.3	7.7	5.6
<b>Power</b>	17.4	11.6	10.5	8.4	8.9	7.4	6.1

(Source: the Ministry of Commerce, Industry and Energy, Korea)

### Consumption of oil and products

(thou. bbl, %)

Classification	TOTAL	Gasoline	Kerosene	Diesel	Bunker C	Naphtha	LPG
<b>Sept. 2000</b>	57,899	4,830	5,691	10,436	8,974	18,326	6,006
	(1.1)	(13.6)	(21.2)	(4.7)	(9.7)	(-3.0)	(-6.3)
<b>Jan.- Sept.</b>	549,995	47,601	50,756	96,788	92,927	170,174	61,380
	(4.3)	(-2.7)	(-4.7)	(5.0)	(7.6)	(4.6)	(11.4)
<b>Sept. 2001</b>	61,909	5,717	4,429	11,650	9,393	19,688	6,568
	(6.9)	(18.4)	(-22.2)	(11.6)	(4.7)	(7.4)	(9.4)
<b>Jan.- Sept.</b>	547,039	46,752	41,648	96,784	91,800	176,274	609,936
	(-0.5)	(-1.8)	(-17.9)	( - )	(-1.2)	(3.6)	(-0.6)

(Source: the Ministry of Commerce, Industry and Energy, Korea)

(Note: In the ( ) are increase/decrease rates compared to the year before.)

- **Bituminous : 4.7% increase (46.8 million tons)**
  - Power generation:  
(Jan.-Sept.2000) 24.76 million tons ? (Jan.-Sept.2001) 26.53 million tons (7.1%)
  - Steel manufacturing:  
(Jan.-Sept.2000) 14.45 million tons ? (Jan.-Sept.2001) 14.56 million tons (0.8%)
  - Other industries:  
(Jan.-Sept.2000) 5.5 million tons ? (Jan.-Sept.2001) 5.71 million tons (3.8%)
- **Anthracite : 13.6% increase (4.83 million tons)**

Demands increased in steel manufacturing and households.

  - Households: (Jan.-Sept.2000) 620 thousand tons ? (Jan.-Sept.2001) 660 thousand tons (6%)
  - Power generating: (Jan.-Sept.2000) 2.2 million tons ? (Jan.-Sept.2001) 1.91 (-13.4%)
  - Industrial: (Jan.-Sept.2000) 1.43 million tons ? (Jan.-Sept.2001) 2.26 million tons (58.7%)
- **LNG : 11.6% increase (11.24 million tons)**

Demands in the power generating sector increased.

- Power generation:(Jan.-Sep.2000) 3.14 million tons ? (Jan.-Sep.2001) 3.3 million tons (5.1%)
- City gas: (Jan.-Sep.2000) 6.47 million tons ? (Jan.-Sep.2001) 6.84 million tons (5.7%)
- Industrial: (Jan.-Sep.2000) 70 thousand tons ? (Jan.-Sep.2001) 340 thousand tons (407.5%)

- **Electricity**

- Electricity consumption (final energy standards): 7.4% increase year-on-year, 192,004 GWh
  - Industrial sector: 2.4% increase, 100,671 GWh
  - Home and commercial: 14.5% increase, 78,670 GWh
  - Transport: 13.3% increase, 1,713 GWh
- Amount of power generation: 6.8% increase year-on-year, 211,177 GWh
  - Bituminous (11.9%), oil (8.8%), LNG (9.4%)

## 6) Consumption by sector

- **Industrial : 1.3% increase year-on-year, 62.77 million TOE**
  - Anthracite 58.7%, city gas 10.5%, bituminous 1.6%, electricity 2.4%, oil -2.1%
- **Transport : 2.9% increase, 23.96 million TOE**
  - Diesel consumption increased by 3.5%, aircraft fuel by 3%, LPG by 14.7%.
  - Gasoline consumption decreased by 1.6%.
  - Consumption in September increased by 15.2% year-on-year to 2.909 million TOE.
- **Home and commercial : 2% increase, 24.28 million TOE**
  - Electricity 14.5%, city gas 6.5%, district heating 2.3%, oil -6.8%
- Energy consumption in the home and commercial sector in September maintained the level of the same period of last year.

## Consumption by energy type

(%)

Classification	Sep. 2000		Sep. 2001		3rd Q 2000			3rd Q 2001		
	Con- sumption	Growth rate	Con- sumption	Growth rate	Con- sumption	Growth rate	%	Con- sumption	Growth rate	%
<b>Primary energy</b> (thou.toe)	57,898	3.5	15,818	6.6	141,917	7.3	100.0	145,410	2.5	100.0
<b>Oil</b> (thou.bbl)	692	1.1	61,756	6.7	549,858	4.3	52.4	547,039	-0.5	50.8
<b>LNG</b> (thou.ton)	462	-10.4	811	17.1	10,070	12.4	9.2	11,240	11.6	10.0
<b>Anthracite</b> (thou.ton)	4,745	24.7	526	14.0	4,248	24.2	1.5	4,826	13.6	1.7
<b>Bituminous</b> (thou.ton)	9,560	9.9	5,451	14.9	44,714	11.3	20.8	46,796	4.7	21.2
<b>Nuclear</b> (GWh)	883	4.5	9,103	-4.8	81,144	8.6	14.3	84,092	3.6	14.5
<b>Hydro</b> (GWh)	146	23.3	394	-55.4	4,405	-4.9	0.8	3,392	-23.0	0.6
<b>Others</b> (thou.toe)	24	6.2	176	21.0	1,518	17.1	1.1	1,682	10.8	1.2

(Source: the Ministry of Commerce, Industry and Energy, Korea)

### Energy consumption by sector

(%)

Classification	Sep. 2000		Sep. 2001		3rd Q 2000			3rd Q 2001		
	Con- sumption	Growth rate	Con- sumption	Growth rate	Con- sumption	Growth rate	%	Con- sumption	Growth rate	%
<b>Final energy</b> (thou.toe)	11,459	2.4	12,189	6.4	111,023	6.1	100.0	113,205	2.0	100.0
<b>Industrial</b>	6,664	0.5	6,982	0.5	61,950	5.4	55.8	62,767	1.3	55.4
<b>Transport</b>	2,526	4.6	2,909	15.2	23,294	9.7	21.0	23,958	2.9	21.2
<b>Home/ Commercial</b>	2,066	6.3	2,066	0.0	1,980	4.8	21.4	24,280	2.0	21.4
<b>Public and others</b>	204	4.2	232	14.1	519,630	4.1	1.8	2,200	11.9	1.9
<b>Oil</b> (thou.bbl)	55,424	-0.2	58,559	5.7	2,044	2.9	62.8	514,897	-0.9	60.8
<b>Anthracite</b> (thou.ton)	208	17.8	313	50.8	19,949	32.6	1.1	2,918	42.7	1.6
<b>Bituminous</b> (thou.ton)	2,143	1.0	2,208	3.0	178,733	3.4	11.9	20,269	1.6	11.8
<b>Electricity</b> (GWh)	20,252	5.9	22,212	9.7	8,697	13.0	13.8	192,004	7.4	14.6
<b>City gas</b> (million m <sup>3</sup> )	509	24.3	494	-3.1	7,324	23.5	8.2	9,265	6.5	8.6
<b>Heat</b> (Teal)	267	27.8	208	-22.0	1,518	15.3	0.7	7,495	2.3	0.7
<b>Others</b> (thou.toe)	146	6.2	176	21.0	1,518	17.1	1.4	1,682	10.8	1.5

(Source: the Ministry of Commerce, Industry and Energy, Korea)



**Energy Exports and Imports**  
(\$million, %)

Classification	Sep. 2000		Sep. 2001		3rd Q 2000		3rd Q 2001	
	quantity	amount	quantity	amount	quantity	amount	quantity	amount
<b>Total amount of energy imports (A)</b>	-	3,155 (49.8)	-	2,851 (-9.6)	-	26,734 (80.5)	-	26,222 (-1.9)
<b>Oil (million bbl)</b>	91 (6.0)	2,694 (51.2)	97 (7.2)	2,477 (-7.9)	822 (4.6)	22,402 (88.8)	815 (-0.8)	21,485 (-4.1)
<b>Crude oil</b>	74 (6.0)	2,165 (54.5)	79 (7.2)	2,024 (-6.5)	666 (3.5)	17,997 (90.7)	655 (-1.6)	16,983 (-5.6)
<b>Unit cost of imports (\$bbl, CIF)</b>	-	29 (45.8)	-	26 (-12.8)	-	27 (84.3)	-	26 (-4.1)
<b>Oil products (million bbl)</b>	17 (6.1)	526 (38.9)	18 (7.3)	454 (-13.8)	156 (9.4)	4,404 (81.1)	160 (2.4)	4,501 (2.2)
<b>LNG (thou. Ton)</b>	959	261	834	202	10,274	2,556	11,314	2,922
<b>*Unit cost of imports (\$/ton)</b>	(-2.4)	(47.1) 272.0	(-13.0)	(-22.5) 242.3	(13.6)	(94.6) 248.8	(10.1)	(14.3) 258.3
<b>Anthracite (thou. ton)</b>	80	3	203	8	1,329	48	2,183	81
<b>*Unit cost of imports (\$/ton)</b>	(-9.8)	(-17.6) 35.4	(155.0)	(172.1) 37.9	(58.0)	(40.8) 36.0	(64.2)	(68.8) 37.0
<b>Bituminous (thou. ton)</b>	4,945	167	4,575	163	44,747	1,526	46,301	1,600
<b>*Unit cost of imports (\$/ton)</b>	(34.7)	(31.6) 33.8	(-7.5)	(-2.8) 35.5	(17.1)	(7.8) 34.1	(3.5)	(4.9) 34.6
<b>Fuel for nuclear plants</b>	-	34 (79.0)	-	2 (-95.1)	-	203 (13.8)	-	134 (-33.7)
<b>Petrochemical exports (B) (million bbl)</b>	25 (9.5)	888 (67.5)	20 (-21.9)	543 (-38.8)	228 (4.3)	6,813 (85.5)	227 (-0.4)	6,281 (-7.8)
<b>Net cost of imports (C) (A-B)</b>	-	2,268 (43.9)	-	2,308 (1.8)	-	19,922 (78.9)	-	19,941 (0.1)
<b>Total amount of imports (D)</b>	-	13,292 (31.3)	-	11,697 (-12.0)	-	119,041 (41.6)	-	106,691 (-10.4)
<b>Share of energy imports in total imports (A/D)</b>	23.7		24.4		22.5		24.6	
<b>Share of net imports (C/D)</b>	16.8		16.8		16.7		18.7	

(Source: the Ministry of Commerce, Industry and Energy, Korea)

## 2. Mid-term Energy Outlook for 2001 - 2005

### Slower Energy Demand Growth with Lower Oil Dependence and More Demand for LNG and Electricity

Growth of primary and final energy demands will show a subdued trend, compared with higher demand in 1990s due to the slower trend of economic growth. The most significant change is the declining trend of oil dependence, which will be lower than 50% in 2002. High oil prices, more electricity and LNG use, stricter environmental regulation, and decline in the proportion of energy-intensive industry have contributed to declining trend of oil dependence. Also oil demand growth rate is predicted to be a lower level around 2% per year.

In primary energy, the shares of LNG and electricity will be greater due to more environmental concern and preference for conveniences. LNG and electricity is expected to lead future energy demand trend. Demands for final energy are predicted to be a more stable and lower trend than that of 1990s' energy demand. While transportation sector show the relatively higher demand, residential, commercial and industrial sectors are expected to demand less.

#### 1) Primary Energy

##### Primary energy consumption projected to grow 3.9% annually between 2001 and 2006

Primary energy demand is expected to grow 3.0% in 2001 due to current weak and sluggish economy. Overall growth rate is projected as an average rate of 3.9% up to 2006. Such growth rates are much lower level compared to the annual growth rate of 7.5% between 1990 and 2000.

**Primary Energy Demand Forecast (2001 - 2006)**

Classification	2001	2002	2003	2004	2005	2006
Coal (million ton)	68.8 (3.4)	73.3 (6.6)	76.1 (3.7)	78.0 (2.5)	80.3 (3.0)	82.5 (2.7)
Oil (million bbl)	744.1 (0.2)	766.9 (3.1)	785.9 (2.5)	803.3 (2.2)	820.5 (2.1)	837.0 (2.0)
LNG (million ton)	16.8 (15.2)	19.0 (13.1)	21.2 (11.7)	23.1 (9.2)	25.1 (8.5)	27.1 (7.7)
Total (million TOE)	198.6 (3.0)	209.3 (5.4)	218.5 (4.4)	226.8 (3.8)	234.8 (3.5)	242.6 (3.3)

Source: Korea Energy Economics Institute. Numbers in parentheses are percentage growth rates year-on-year.

Anthracite coal consumption has exhibited a short-term increase due to industry demand increase, but will decline after 2002. Consumption of bituminous coal will continue to grow solidly at the rate of 3.8% for the enduring demand from power-plants. In total, coal consumption is projected to show an annual average growth of 3.6%

Oil consumption is the slowest to recover from impacts of the crisis. High world oil prices since 1999 and current weak economy have worsened the situation, leading to a very weak demand in 2001. Assuming

the recession retreats in 2001, we expect a solid 2.4% average growth for oil demand up to 2006.

LNG consumption will continue its expansion due to the enduring demand for power generation, with projected 10.9% annual growth on average. Nuclear power are expected to remain at 4.6% growth.

Composition of primary energy demand by sources will exhibit an increasing the share of LNG up to 14.5% in 2006, while the oil share is expected to continually decline to the level of 46.5% in 2006 from 52% in 2000.

## 2) Final Energy

### Final energy consumption projected to grow 3.5% annually between 2001 and 2006

Final energy demand is expected to grow steadily during the forecast period, reaching 184.1 million TOE in 2006, a 22.6% increase over 2000 levels. Average annual growth rate is 3.5%, a low figure compared to 7.2% during 1990 through 2000.

Projected demand growth is stable in transport sector throughout the forecast period, while in industrial and residential/commercial/public sectors growth should be somewhat subdued during the same period.

Industrial sector consumption is expected to show a 4.1% growth in 2002, after which a stable growth rate of around 3% will be followed. Such a low growth rate may be attributed to the stability of growth in energy-intensive industries.

### Final Energy Demand Forecast (2001 - 2006)

Classification	2001	2002	2003	2004	2005	2006
<b>Industry</b> (million TOE)	85.1 (1.5)	88.6 (4.1)	91.7 (3.5)	94.7 (3.2)	97.5 (3.0)	100.2 (2.8)
<b>Transport</b> (million TOE)	32.0 (3.4)	33.9 (6.0)	35.6 (4.9)	37.2 (4.7)	38.9 (4.4)	40.5 (4.2)
<b>Res/Com/Pub</b> (million TOE)	35.9 (2.7)	37.8 (5.2)	39.3 (3.9)	40.4 (2.9)	41.5 (2.6)	42.5 (2.4)
<b>Final Total</b> (million TOE)	153.9 (2.5)	161.2 (4.8)	167.5 (3.9)	173.2 (3.4)	178.8 (3.2)	184.1 (3.0)
<b>Oil</b> (million bbl)	697.7 (-0.1)	718.0 (2.9)	735.2 (2.4)	751.6 (2.2)	767.9 (2.2)	784.2 (2.1)
<b>Anthracite</b> (million ton)	4.0 (18.4)	4.1 (4.6)	4.2 (0.9)	4.2 (-0.5)	4.1 (-0.9)	4.1 (-1.5)
<b>Bituminous</b> (million ton)	27.5 (1.8)	28.5 (3.7)	29.2 (2.3)	29.8 (2.2)	30.4 (2.0)	30.9 (1.7)
<b>Electricity</b> (TWh)	256.5 (7.1)	277.1 (8.1)	295.0 (6.4)	312.8 (6.0)	329.7 (5.4)	345.2 (4.7)
<b>Citygas</b> (million m <sup>3</sup> )	12.9 (8.0)	14.5 (12.6)	16.1 (11.1)	17.4 (7.6)	18.5 (6.5)	19.6 (5.9)

Source: Korea Energy Economics Institute. Numbers in parentheses are percentage growth rates year-on-year.

Transport sector consumption is expected to grow steadily at about 4 % rate after 6% increase in 2002. The crisis has hit the sector severely and recovery is coming relatively slowly. The 1997 level should recover fully by 2002, followed by a stable growth.

Residential-commercial-public sector consumption, which was most severely affected by the crisis, is expected to recover its 1997 level in 2001. A relatively large growth of 5.2% in 2002 will be followed by a lower growth of about 2 to 3 % annually.

### 3) Scenario Analysis

#### Scenario Overview

Considering uncertainties surrounding forecast assumptions, KEEI adds two scenarios for the best case and for the worst case. The best case scenario assumes strong economic growth as the government plans, and world oil prices substantially fall from the current level. The worst case scenario, on the other hand, assumes that economic growth is contained and that world oil prices are sustained at higher levels.

#### Primary Energy Demand by Scenarios

In the best case, an average 4.6% is projected. In the worst case an average 3.3% growth is expected.

##### Primary energy demand by scenarios

Classification	Best Case	Baseline	Worst Case
2001	198.6 (3.0)	199.1 (3.2)	198.1 (2.7)
2002	209.3 (5.4)	211.6 (6.3)	206.8 (4.4)
2003	218.5 (4.4)	223.5 (5.6)	214.7 (3.8)
2004	226.8 (3.8)	233.8 (4.6)	221.7 (3.3)
2005	234.8 (3.5)	243.4 (4.1)	228.4 (3.0)
2006	242.6 (3.3)	252.6 (3.8)	234.8 (2.8)
<b>AAGR (2000-2006)</b>	<b>3.9</b>	<b>4.6</b>	<b>3.3</b>

Source: the Korea Energy Economics Institute. Numbers in parentheses are percentage growth rates year-on-year.

#### Final Energy Demand by Scenarios

In the best case, an average 4.3% is projected. In the worst case an average 2.8% growth is expected.

##### Final energy demand by scenarios

Classification	Best Case	Baseline	Worst Case
2001	153.9 (2.5)	154.2 (2.8)	153.5 (2.2)
2002	161.2 (4.8)	163.2 (5.8)	158.9 (3.5)
2003	167.5 (3.9)	172.1 (5.4)	164.0 (3.2)
2004	173.2 (3.4)	179.6 (4.4)	168.6 (2.8)
2005	178.8 (3.2)	186.5 (3.9)	173.0 (2.6)
2006	184.1 (3.0)	193.1 (3.5)	177.3 (2.4)
<b>AAGR (2000-2006)</b>	<b>3.5</b>	<b>4.3</b>	<b>2.8</b>

Source: Korea Energy Economics Institute. Numbers in parentheses are percentage growth rates year-on-year.

**Attachment****Forecast on Main Economic Indicators in Korea**

(Year-on-Year, %)

Classification	2001		2002		
	4th Q	Annual	1st half	2nd half	Annual
<b>GDP Growth</b>	3.0	2.8	3.5	4.3	3.9
<b>Private Consumption</b>	3.8	2.8	3.6	4.0	3.8
<b>Facility Investment</b>	-3.6	-9.6	-4.4	7.6	1.3
<b>Construction Investment</b>	9.2	5.3	7.4	5.2	6.1
<b>Export</b>	-6.0	-1.1	-0.3	8.7	4.1
<b>Import</b>	-3.7	-5.5	-0.7	12.3	5.7
<b>Growth of Consumer Price Index</b>	3.3	4.3	2.7	3.3	3.0

(Source: Bank of Korea)